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BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED

COMMISSIONERS 7009 JAN 21 P 3: 10 3 KRISTIN K. MAYES- Chairman **GARY PIERCE** AZ CORP COMMISSION DOCKET CONTROL PAUL NEWMAN SANDRA D. KENNEDY 5 **BOB STUMP** 6 IN THE MATTER OF THE APPLICATION OF CROSS CREEK RANCH COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT

Arizona Corporation Commission DOCKETED

JAN 2 1 2009

DOCKETED BY

CORPORATION, FOR AN ADJUDICATION

NOT A PUBLIC SERVICE CORPORATION.

IN THE MATTER OF THE APPLICATION OF CROSS CREEK RANCH WATER COMPANY FOR THE TRANSFER OF SALE OF ITS ASSETS TO CROSS CREEK RANCH COMMUNITY ASSOCIATION AND

CANCELLATION OF ITS CERTIFICATE OF 12 CONVENIENCE AND NECESSITY.

DOCKET NO. W-20619A-08-0470

DOCKET NO. W-04131A-08-0471 DOCKET NO. W-20619A-08-0471

AMENDED PROCEDURAL ORDER

BY THE COMMISSION:

On September 8, 2008, the Cross Creek Ranch Community Association (the "Association") filed an application with the Arizona Corporation Commission ("Commission") for Adjudication Not a Public Service Corporation ("Adjudication Docket").

On the same date, Cross Creek Ranch Water Company (the "Water Company") filed an application, in Docket Nos. W-20619A-08-0471 and W-04131A-08-0417, with the Commission for approval to transfer its water utility assets to its sole shareholder, the Association ("Transfer Docket").

On September 19, 2008, the Association filed the legal description for the Cross Creek Ranch subdivision.

On the same date, the Association filed a Motion to Consolidate the Adjudication Docket and the Transfer Docket. The Motion stated that the two dockets are inextricably linked and that their consolidation would be administratively efficient and judicially economical.

On September 22, 2008, the Association filed a Notice of Errata, which provided a revised legal description.

On October 7, 2008, the Commission's Utilities Division ("Staff") filed Insufficiency Letters in the Transfer and Adjudication Dockets.

On October 29, 2008, the Water Company docketed responses in the Transfer Docket to Staff's Insufficiency Letter.

On November 28, 2008, Staff filed a second Insufficiency Letter in the Adjudication and Transfer Dockets.

On December 3, 2008, the Water Company docketed responses in the Transfer Docket to Staff's second Insufficiency Letter.

On December 5, 2008, by Procedural Order, Staff was directed to file a response to the Motion to Consolidate.

On the same date, the Association docketed responses in the Adjudication Docket to Staff's Insufficiency Letters.

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On December 11, 2008, Staff filed a Response to the Motion to Consolidate, stating that Staff believes granting the consolidation will aid the Commission in its evaluation of both applications and will not prejudice the rights of the parties.

On December 17, 2008, by Procedural Order, the Motion to Consolidate Docket Nos. W-020619A-08-0470, W-04131A-08-0471 and W-20619A-08-0471 was granted.

On December 24, 2008, Staff filed Sufficiency Letters in the consolidated dockets.

On January 9, 2009, by Procedural Order, the evidentiary hearing on the consolidated dockets was scheduled to begin on March 5, 2009, and other filing deadlines were established.

On January 15, 2009, Staff docketed a request to change the hearing date to March 12, 2009, due to the unavailability of Staff's witness.

On January 20, 2009, the Water Company and the Association ("Applicants") jointly filed a Response to Staff's request. Applicants do not oppose Staff's request, but request that the deadline for Applicants to publish notice of the new hearing date be extended to February 6, 2009.

Accordingly, the hearing in this matter should be rescheduled, and the publication and mailing deadline should be extended.

IT IS THEREFORE ORDERED that the hearing in the consolidated matters set for March 5, 2009, shall be rescheduled to March 16, 2009, at 10:00 a.m., or as soon thereafter as is practicable, at the Commission's offices, 1200 West Washington Street, Room 100, Phoenix, Arizona

IT IS FURTHER ORDERED that the Applicants shall provide public notice of the hearing in this matter, in the following form and style, with the heading in no less than 12-point bold type and the body in no less than 10-point regular type:

PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF CROSS CREEK RANCH COMMUNITY ASSOCIATION FOR AN ADJUDICATION NOT A PUBLIC SERVICE CORPORATION AND CROSS CREEK RANCH WATER COMPANY FOR APPROVAL TO TRANSFER ITS ASSETS TO CROSS CREEK RANCH COMMUNITY ASSOCIATION AND TO CANCEL ITS CERTIFICATE OF CONVENIENCE AND NECESSITY. (DOCKET NO. W-20619A-08-0470, ET AL.)

On September 8, 2008, Cross Creek Ranch Community Association ("Association") filed an application with the Arizona Corporation Commission ("Commission") for an Adjudication Not a Public Service Corporation. On the same date, Cross Creek Ranch Water Company ("Water Company") filed an application with the Commission, requesting Commission approval to transfer its water utility assets to the Association and to cancel its Certificate of Convenience and Necessity. The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding the applications, and the Commission is not bound by the proposals made by the Association, Water Company ("Applicants"), Staff, or any intervenors. The Commission will issue a Decision regarding the applications following consideration of testimony and evidence presented at an evidentiary hearing. Copies of the applications are available at the Applicants' offices [insert addresses] and at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona, for public inspection during regular business hours, and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on the applications on March 16, 2009, at 10:00 a.m., at the Commission's offices, in Room 100, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. W-20619A-08-0470, et al., to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or 602-542-4251.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **February 24, 2009**, and send a copy of the motion to the Applicants or their counsel and to all parties of record. Your motion to intervene must contain the following:

- 1. Your name, address, and telephone number and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
- 2. A short statement of your interest in the proceeding (e.g., a customer of the Water company, a member of the Association, etc.); and
- 3. A statement certifying that you have mailed a copy of the motion to intervene to the Applicants or their counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before February 24, 2009. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor's obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at http://www.azcc.gov/divisions/utilities/forms/interven.pdf. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the applications or from filing written comments in the record of the case.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail Sbernal@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that the Applicants shall mail to each member of the Association and to each customer in the Water Company's service area, a copy of the above notice and shall cause the above notice to be published in a newspaper of general circulation in their service territories, with publication and mailing to be completed no later than **February 11, 2009.**

IT IS FURTHER ORDERED that the Applicants shall file certification of mailing and publication as soon as practicable after the mailing/publication has been completed, but not later than February 24, 2009.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication of same, notwithstanding the failure of an individual customer to read or receive the notice.

IT IS FURTHER ORDERED that Staff shall file a **Staff Report** and associated exhibits to be presented at the hearing on or before **February 11, 2009**.

IT IS FURTHER ORDERED that any objections to the Staff Report shall be reduced to writing and filed on or before February 24, 2009.

IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105, except that all motions to intervene must be filed on or before February 24, 2009.

IT IS FURTHER ORDERED that objections to any Motions to Intervene must be filed no later than March 7, 2009.

IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission pro hac vice.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the Rules of the Arizona Supreme Court). Representation before the Commission includes appearing at all hearings, procedural conferences, Open Meetings at which the matter is scheduled for discussion, unless counsel has previously been granted permission to withdraw by the Administrative Law Judge or the Commission.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this 2 day of January, 2009.

Y WETTE B. KINSEY ADMINISTRATIVE LAW JUDGE

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1 2	Copies of the foregoing mailed/delivered this2 57_ day of January, 2009 to:
	Patrick J. Black
3	Sarah A. Kubiak
4	FENNEMORE CRAIG, PC 3003 North Central Avenue, Suite 2600
5	Phoenix, AZ 85012-2913 Attorneys for Cross Creek Ranch Water Company, Inc.
6	and Cross Creek Ranch Community Association
7	Janice Alward, Chief Counsel Legal Division
8	ARIZONA CORPORATION COMMISSION 1200 West Washington Street
9	Phoenix, AZ 85007-2927
10	Ernest G. Johnson, Director Utilities Division
11	ARIZONA CORPORATION COMMISSION 1200 West Washington
12	Phoenix, AZ 85007-2927
13	ARIZONA REPORTING SERVICE, INC. 2200 North Central Avenue, Suite 502
14	Phoenix, Arizona 85004-1481
15	ab l
16	By: Debra Broyles
17	Secretary to Yvette B. Kinsey
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